

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7093

BILL NUMBER: SB 365

DATE PREPARED: Jan 12, 2001

BILL AMENDED:

SUBJECT: Health Insurance Grievance Review.

FISCAL ANALYST: Jim Landers

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FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: No Fiscal Impact

Summary of Legislation: The bill requires a utilization review agent to, under certain circumstances, supply an enrollee with notice of the enrollee's right to appeal and a written description of the appeals procedure at the time an adverse utilization review determination is made. The bill specifies that the exclusive right to review of a utilization review determination for an individual covered under an accident and sickness insurance policy or a health maintenance organization contract is through the accident and sickness insurer's or health maintenance organization's internal and external grievance procedures. The bill also requires an accident and sickness insurer to establish and maintain an internal grievance procedure and an external grievance review procedure. It provides for expedited and standard reviews. The bill also establishes requirements for independent review organizations to be certified by the department of insurance. It also requires accident and sickness insurers to report certain information regarding grievances to the Commissioner of the Department of Insurance.

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: